THE HONOURABLE SRI JUSTICE GODA RAGHURAM

WRIT PETITION NO. 1661 OF 2007

DATED: 01-02-2007

Between:

M/s. United Metal Products
A partnership firm, rep.by its
Managing Partner Mr. Narendra Gopal Baldawa

… Petitioner

And

The A.P.Mahesh Co-operative Urban Bank Limited,
5-3-989, Shera Estates, N.S.Road,
Hyderabad

… Respondent

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WRIT PETITION NO. 1661 OF 2007

ORDER:

This writ petition is pre-mature. The petitioner assails the notice dated 27-06-2005 issued by the respondent-bank under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002(for brevity 'the Act').

The petitioner availed credit facilities from the respondent and defaulted on the repayment schedule. The respondent apparently determined the debt to be a non performing asset (NPA) and issued the notice under Section 13(2) containing all the relevant particulars as required under Sec.13(2) of the Act. The petitioner is at liberty to respond to this notice and lodge objections either to the quantum of the amount determined as due or on the aspect that the debt was irrationally clarified as a non-performing asset or on any other aspect

that he desires. On such objections being lodged, the respondent-bank is required to respond to the objections and communicate the same to the petitioner, before proceeding to take action under Sections 13(4) or 14 as the case may be. The bank has not yet initiated any proceedings under Section 13(4) or 14 of the Act.

Without doing so, the petitioner has filed this writ petition assailing the issuance of proceedings under Section 13(2) of the Act. No ground of lack of jurisdiction of the respondent-bank to issue a notice under Section 13(2) of the Act is either pleaded, urged or demonstrated before this Court. In the circumstances, no relief could be granted.

In the aforesaid analysis, the writ petition is pre-mature and is accordingly dismissed at the stage of admission, after hearing the learned counsel for the petitioner and Mr. Murali Narayan Bung, the learned counsel for the respondent. No order as to costs. However, petitioner is always at liberty to lodge objections to the notice issued under Section 13(2) of the Act.

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GODA RAGHURAM, J.

Dt: 01-02-2007
Rns